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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
(SAN FERNANDO VALLEY DIVISION)**

In re:

ICPW Liquidation Corporation, a California
corporation,¹

Debtor and Debtor in Possession.

In re:

ICPW Liquidation Corporation, a Nevada
corporation,²

Debtor and Debtor in Possession.

Affects:

- ☒ Both Debtors

☐ ICPW Liquidation Corporation, a California
corporation

☐ ICPW Liquidation Corporation, a Nevada
corporation.

Lead Case No.: 1:17-bk-12408-MB
Jointly administered with:
1:17-bk-12409-MB Chapter 11 Cases

**PROOF OF SERVICE OF POST-
CONFIRMATION STATUS REPORT**

Hearing:

DATE: April 13, 2021
TIME: 1:30 p.m.
PLACE: Courtroom "303"
21041 Burbank Blvd.
Woodland Hills, CA 91367

¹ Formerly known as Ironclad Performance Wear Corporation, a California corporation.

² Formerly known as Ironclad Performance Wear Corporation, a Nevada corporation.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 601 South Figueroa Street, Suite 2500, Los Angeles, CA 90017:

A true and correct copy of the document entitled (*specify*): **POST-CONFIRMATION STATUS REPORT** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the document will be served by the court via NEF and hyperlink to the document. On (*date*) April 7, 2021, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Destiny N Almogue destiny.almogue@skadden.com, candice.spoon@skadden.com
- Shiva D Beck sbeck@foley.com, jcharrison@foley.com
- Ron Bender rb@lnbyb.com
- Cathrine M Castaldi ccastaldi@brownrudnick.com
- Lisa R Chandler lisa.chandler@ipfs.com
- Russell Clementson russell.clementson@usdoj.gov
- Aaron S Craig acraig@kslaw.com, lperry@kslaw.com
- Natalie B. Dagbandan natalie.dagbandan@bryancave.com,
raul.morales@bryancave.com;theresa.macaulay@bryancave.com
- Steven M Gluck sgluck@juno.com
- Matthew A Gold courts@argopartners.net
- Monica Y Kim myk@lnbrb.com, myk@ecf.inforuptcy.com
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- United States Trustee (SV) ustpreion16.wh.ecf@usdoj.gov
- Sharon Z. Weiss sharon.weiss@bclplaw.com, raul.morales@bclplaw.com
- Douglas Wolfe dwolfe@asmcapital.com

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **April 7, 2021**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) April 7, 2021, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

BY PERSONAL DELIVERY

Hon. Martin R. Barash
US Bankruptcy Court
Central District of California
21041 Burbank Blvd., Suite 342/Ctrm. 303
Woodland Hills, CA 91367

☒ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

April 7, 2021 Christina O'Meara
Date Printed Name

/s/Christina O'Meara
Signature

SERVED BY U.S. MAIL:

<u>Secured Creditor</u> Radian Wareham Holding, Inc. Attn: Mike Tutor, CEO 5305 Distriplex Farms Memphis, TN 38141	<u>Counsel to Radian Wareham Holdings</u> E. Franklin Childress, Jr. Baker, Donelson, Bearman, Caldwell & Berkowitz, PC 165 Madison Ave, Suite 2000 Memphis, Tennessee 38103	U.S. Securities and Exchange Commission Attn: Bankruptcy Counsel 444 South Flower Street, Suite 900 Los Angeles, CA 90071-9591
CRG Financial LLC 100 Union Avenue Cresskill, NJ 07626		
<u>Governmental Agencies</u>		
Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346	Franchise Tax Board Bankruptcy Section, MS: A-340 P.O. Box 2952 Sacramento, CA 95812-2952	State Board of Equalization Account Information Group, MIC: 29 P.O. Box 942879 Sacramento, CA 94279-0029
Employment Development Dept. Bankruptcy Group MIC 92E P.O. Box 826880 Sacramento, CA 94280-0001	Office of Unemployment Compensation Tax Services Department of Labor and Industry Commonwealth of Pennsylvania 651 Boas Street, Room 702 Harrisburg, PA 17121	US Department of Justice Office of the Attorney General of the US 950 Pennsylvania Avenue, NW Washington, DC 20530-0001
United States Attorney's Office Central District of California 312 North Spring Street, Suite 1200 Los Angeles, CA 90012	Wendi A. Horwitz Deputy Attorney General Department of Justice Office of the Attorney General 300 South Spring Street, Suite 1702 Los Angeles, CA 90013	Office of the Attorney General Consumer Law Section Attn: Bankruptcy Notices 455 Golden Gate Ave., Suite 11000 San Francisco, CA 94102
Xavier Baccera Attorney General of California California Department of Justice 1300 "I" Street Sacramento, CA 95814	California State Board of Pharmacy 1625 North Market Boulevard Sacramento, CA 95834	Department of Justice Office of the CA Attorney General 300 South Spring Street, Floor 9 Los Angeles, CA 90013
Kenneth Wang Department of Justice Office of the CA Attorney General 300 South Spring Street Los Angeles, CA 90013	Internal Revenue Service 300 North Los Angeles Street Los Angeles, CA 90012	State of California Franchise Tax Board 300 South Spring Street, #5704 Los Angeles, CA 90013
Employment Development Dept. 722 Capitol Mall Sacramento, CA 95814	Internal Revenue Service 600 Arch Street Philadelphia, PA 19101	California Secretary of State 1500 11 th Street Sacramento, CA 95814
Securities and Exchange Commission 200 Vesey Street, #400 New York, NY 10281		

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

<u>Trust Board - SERVED BY EMAIL</u>	<u>Trustee - Served by EMAIL</u>	
Scott Jarus 938 Duncan Avenue Manhattan Beach, CA 90266 Email: scott.jarus@verizon.net	Matthew Pliskin 2718 West Terrace Drive Tampa, Florida 33609 Email: matthew@icpwliquidation.com	

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

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Attorneys for Matthew Pliskin, as Trustee, and
The Trust Board

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**TO THE HONORABLE MARTIN R. BARASH, UNITED STATES BANKRUPTCY
JUDGE:**

Matthew Pliskin, the trustee (the "Trustee"), under the trust (the "Trust") created pursuant
to the *Debtors' and Official Committee of Equity Security Holders' Joint Plan of Liquidation*

¹ Formerly known as Ironclad Performance Wear Corporation, a California corporation.

² Formerly known as Ironclad Performance Wear Corporation, a Nevada corporation.

Dated February 9, 2018 (the “Plan”) [Docket No. 438], and that certain trust agreement dated as of February 28, 2018 (the “Trust Agreement”), entered into by and among the Trustee, ICPW Liquidation Corporation, a California corporation, formerly known as Ironclad Performance Wear Corporation, a California corporation, and ICPW Liquidation Corporation, a Nevada corporation (“ICPW Nevada”), formerly known as Ironclad Performance Wear Corporation, a Nevada corporation, hereby respectfully submits this Post-Confirmation Status Report, pursuant to Rule 3020-1(b) of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California.

The Plan is a liquidating plan confirmed by entry of an order by this Court on February 13, 2018 (the “Confirmation Order”). [Docket No. 442].

Listing of Claims & Interests and Payments Under the Plan

Class	Creditor(s)	Claim	Plan Payment to Date
Class 1	General Unsecured Claims	\$354,727.26	See Below
Class 2	Class of Shareholders	See Below	See Below
Class 3	Secured Claims	Disputed	Reserve
Class 4	Priority Unsecured Claims	Disputed	Reserve

Class 1

Class 1 consists of general unsecured claims. As indicated in the Plan, prior to the Plan, all non-disputed general unsecured claims were paid by the Debtors with post-petition interest in accordance with prior orders of the Court and the *Order Granting Debtors’ Motion For Authority To Pay Undisputed Pre-Petition Claims Of Solvent Estate And Establishing Protocol*. [Docket No. 345].

On May 29, 2018, the Trustee filed the *Notice of Objection and Objection to Claims in Accordance with Debtors and Official Committee of Equity Security Holders Joint Plan of Liquidation Dated February 9, 2018* (the “Objection”). [Docket No. 582]. The Objection provides that the Trustee (i) disputes the validity and amount of the seven claims listed therein (the “Claimants”) and the enforceability of the claims (the “Claims”) against the estates, (ii) anticipates that any litigation against the Claimants will be commenced in another forum, and (iii) requests disallowance of the Claims after an order is obtained in a different forum. The Trustee

1 filed the Objection in accordance with the Plan and to provide the Claimants with notice that the
2 Trustee disputed the Claims and, thus, no distribution has been made on the Claims.

3 As of the date of this Status Report, the Trustee has entered into settlement agreements
4 with the Claimants and all other claimants in Class 1.

5 **Class 2**

6 Class 2 consists of the Beneficial Interest Holders (as defined below), who were the equity
7 holders of ICPW Nevada as of the Record Date (*i.e.*, February 12, 2018). Pursuant to the Plan, on
8 February 28, 2018 (the “Effective Date”), the Trust was created and all of the outstanding shares
9 of common stock of ICPW Nevada (the “Common Stock”) existing on the Effective Date were
10 cancelled, and the record holders who owned shares of Common Stock on the Record Date
11 became holders of non-transferable beneficial interests in the Trust in exchange for those shares
12 (“Beneficial Interest Holders”). [Docket No. 438]. The Trust was created for the exclusive
13 benefit of Beneficial Interest Holders, net of claims and expenses payable under the express terms
14 of the Trust. *Id.*

15 In June 2018, the Trustee sent a letter to Beneficial Interest Holders informing them of an
16 interim distribution to them in the amount of \$7,243,994 (representing \$0.0835/share based upon
17 86,754,428 total outstanding shares). In August 2019, the Trustee sent a letter to Beneficial
18 Interest Holders informing them of an interim distribution to them in the amount of \$1,698,095.
19 Both distributions were made to Beneficial Interest Holders. In January 2020, the Trustee sent a
20 letter to Beneficial Interest Holders informing them of an interim distribution to them in the
21 amount of \$1,982,360. In July 2020, the Trustee sent a letter to Beneficial Interest Holders
22 updating them of the status of litigation. In January 2021, the Trustee sent a letter to Beneficial
23 Interest Holders informing them, among other things, that he anticipated making a distribution in
24 March 2021. The Trustee is now in the process of making a distribution of \$2,464,556 to
25 Beneficial Interest Holders. The foregoing does not include any SEC fair funds recovery, which
26 has not been received by the estates. The Trustee anticipates receiving these funds in the second
27 quarter and thereafter will make a final distribution (the “Final Distribution”).
28

Class 3

Class 3 consists of the contingent and disputed claim of Radians Wareham Holdings, Inc. (“Radians”). Pursuant to paragraph 26 in the Confirmation Order, on March 12, 2018, the Trustee filed the *Motion to Estimate Claim of Radians Wareham Holding, Inc. for Reimbursement of Legal Fees Pursuant to 11 U.S.C. § 502(c)* [Docket No. 473] (the “Estimation Motion”) for purposes of establishing the Class 3 Reserve Fund (as defined in the Confirmation Order). At the hearing on the Estimation Motion, the Trustee and Radians agreed that the Class 3 Reserve Fund should be \$2,300,000 (the “Agreed Class 3 Reserve Fund”), which is reflected in the *Order Granting In Part Motion To Estimate Claim Of Radians Wareham Holding, Inc. For Reimbursement Of Legal Fees Pursuant To 11 U.S.C. § 502(c)*. [Docket No. 555].

On January 29, 2020, the Trustee filed a stipulation [Adv. Docket No. 74] (the “Radians Stipulation”) that explained that the Trust and Radians reached a settlement in their adversary proceeding (the “Radians Settlement”), as discussed below. Pursuant to the Radians Stipulation and Radians Settlement, the parties agreed that the Trustee was no longer obligated to hold the Class 3 Reserve Fund in a segregated trust account and agreed to the release of the Agreed Class 3 Reserve Fund in exchange for, among other things, the settlement payment approved by the Radians Settlement. On February 20, 2020, the Court entered an order [Adv. Docket No. 75] approving the Radians Stipulation.

Class 4

Class 4 consists of priority claims, pursuant to 11 U.S.C. §§ 507(a)(3), (4), (5), (6), and (7). The only non-tax priority claims referenced in the Plan are the two priority wage claims in the amount of \$12,850 (the “Cordes and Aisenberg Priority Claims”) filed by Cordes and Aisenberg (the “Former Officers”). Prior to filing the Plan, the Official Committee of Equity Security Holders had filed a complaint against the Former Officers that (i) objected to the claims asserted by the Former Officers in their proofs of claims, and (ii) set forth the claims against the Former Officers seeking damages for pre-petition harm arising from their conduct. [Adv. Proc. No.: 1:18-ap-01011].

1 The Plan classified the disputed claims of the Former Officers as part of Class 4. The
2 Plan provided that a total sum of \$300,000.00 (the “Class 4 Reserve Fund”) would be retained in
3 a segregated trust account, which would be used to pay the Cordes and Aisenberg Priority Claims
4 to the extent allowed by the Court, plus any indemnification claims of the Former Officers to the
5 extent allowed by the Court and not otherwise satisfied by the Debtors’ D&O Insurance. The
6 Former Officers filed an objection to the Plan, which sought a larger reserve. [Docket No. 425].

7 Pursuant to paragraph 26 in the Confirmation Order, the Trustee filed a motion to estimate
8 the disputed claims of the Former Officers for purposes of establishing the Class 4 Reserve Fund.
9 [Docket No. 474]. After briefing and prior to the hearing, the Trustee and the Former Officers
10 reached an agreement, which resulted in the *Order Approving Stipulation On Motion To Estimate*
11 *Claims Nos. 7 And 8 Filed By Jeffrey Cordes And William Aisenberg Pursuant To 11 U.S.C. §*
12 *502(c)* [Docket No. 553] establishing a reserve in the amount of \$546,313.50 in accordance with
13 the Plan.

14 On August 2, 2019, the Trustee filed the *Stipulation of Settlement* [Docket No. 615] (the
15 “Stipulation”) that explained that the Trust and the Former Officers reached a settlement in their
16 arbitration proceeding (the “Settlement”). Pursuant to the Stipulation and Settlement, the parties
17 agreed that the Trustee was no longer obligated to hold the Class 4 Reserve Fund in a segregated
18 trust account. On August 2, 2019, the Court entered an order approving the Stipulation [Docket
19 No. 616].

20 **Post-Confirmation Taxes**

21 The Trustee paid \$141,597.38 in actual and estimated taxes for the tax years 2016 and
22 2017. The Trust did not owe taxes for 2018 or any subsequent years.

23 **Projections**

24 The Plan provided that it was being funded from various sources (*e.g.*, remaining estate
25 funds from the sale proceeds, funds in the operating account, monetary recoveries to be obtained
26 by the Trust postpetition, etc.) and not cash derived from the operation of any business by the
27 Debtor.
28

As of September 30, 2020, there were disbursements in the amount of approximately \$16,894,458.94. As of April 2, 2021, the Trust has approximately \$2,654,668 on hand. The Trustee believes that the Trust is current on its payments to the United States Trustee for quarterly fees.

Plan Consummation and Final Decree

The Trustee has settled all remaining litigation and intends to file a motion for a final decree after the Final Distribution. Following the Final Distribution, the Trustee will file a motion for a final decree.

Resolution of Litigation

The Plan provides that the Trustee will, among other things, investigate and, if appropriate, pursue all claims and causes of action that belong to the Estates and are assigned to the Trust for the benefit of the Beneficial Interest Holders. [Docket No. 438]. Since the Confirmation Order, the Trustee has analyzed, pursued, and settled certain claims and causes of action, as follows:

- On April 25, 2018, the Trustee commenced an arbitration proceeding against Thomas Felton, the former Senior Vice President of Supply Chain (the “Felton Arbitration”). In connection with the Former Officers, after extensive briefing and a mediation that did not result in settlement, on July 31, 2018, the Court entered an order granting the Trustee’s motion to compel arbitration against the Former Officers. [Adv. Proc. No.: 1:18-ap-01011, Docket No. 52]. The Trustee commenced an arbitration that was ultimately consolidated with the Felton Arbitration (the “Consolidated Arbitration”). The Consolidated Arbitration settled for \$2.4 million, plus the release of the Former Officers’ shares and claims. The Trustee estimates the settlement had a value of approximately \$2.8 million.
- The Trustee filed a complaint against Robert Goldstein and his company for aiding and abetting breach of fiduciary duty in the United States District Court for the Central District of California, 2:18-cv-09491-FMO-AS, which transferred to the Northern District of Texas. The parties settled the action for a nominal amount.

- On April 26, 2019, the Trustee filed an amended complaint (the “Amended Complaint”) against Radians. On January 14, 2020, the Trustee filed a *Notice of Settlement With and Payment to Radians Wareham Holding, Inc.* in the adversary proceeding [Adv. Docket No. 73] and bankruptcy cases [Bankr. Docket No. 624] pursuant to the Trust Agreement. No parties objected to the notice and, on January 29, 2020, the Trustee filed a stipulation [Adv. Docket No. 74] to approve the settlement, which the Court approved [Adv. Docket No. 75] on February 20, 2020.
- The Trustee commenced an arbitration against BDO USA, LLP (“BDO”). The Trustee has settled the BDO arbitration.

Dated: April 6, 2021

DENTONS US LLP
SAMUEL R. MAIZEL
TANIA M. MOYRON
By: /s/Tania M. Moyron
Tania M. Moyron, Counsel
to the Trustee and Trust Board

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